



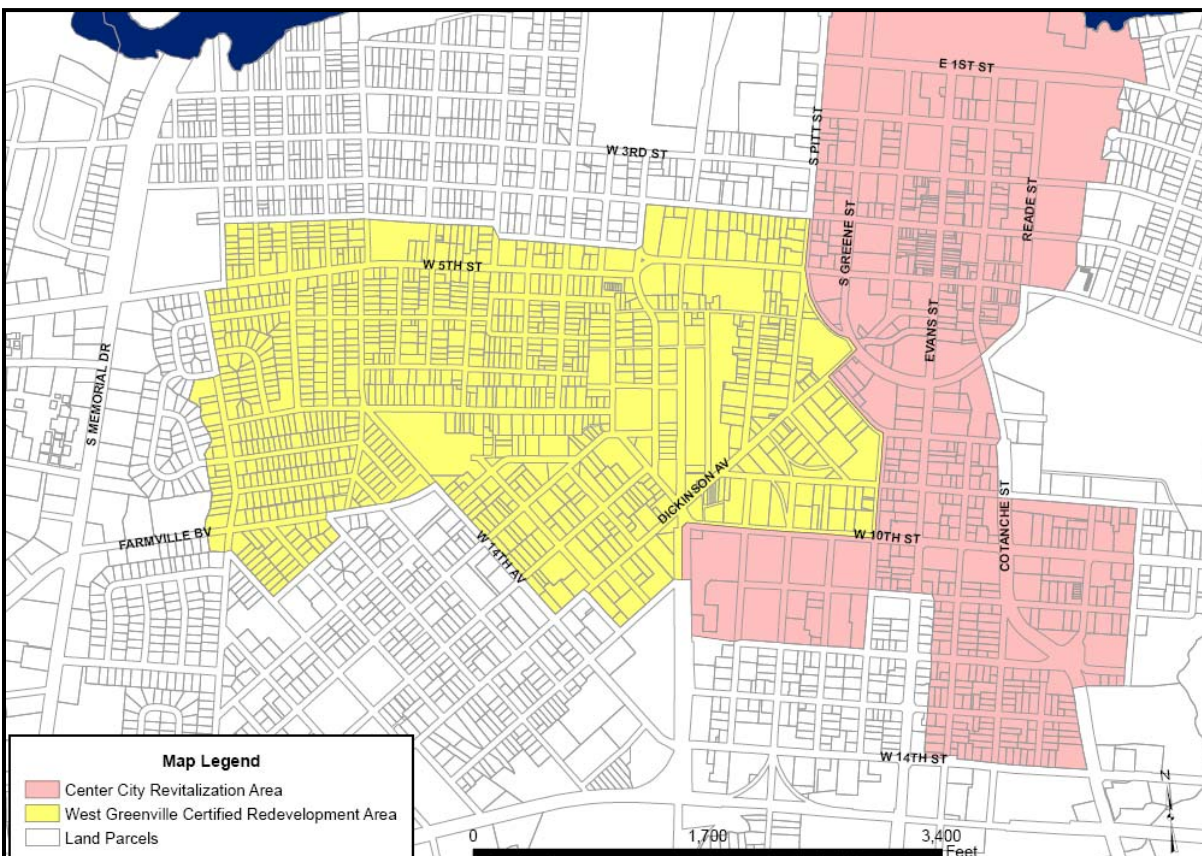
Center City – West Greenville Business Plan Competition Guidelines

1.0 INTRODUCTION:

The priority placed on re-seeding Greenville's redevelopment areas with home grown, prosperous commercial enterprises is made clear by the adopted Center City/West Greenville Revitalization Plan which includes broad goals of:

“Increasing the economic competitiveness of the revitalization area” and “Repositioning the downtown as a vibrant activity center for the city and region”

As such, the Greenville Redevelopment Commission has authorized the Business Plan Competition in order to provide an incentive to small business owners and other entrepreneurs to create or expand businesses within the Center City - West Greenville Redevelopment Areas (See map below). These guidelines will be used by the Greenville Redevelopment Commission and associated staff in evaluating submissions for the competition.



Map 1

Submissions will be accepted twice a year with due dates of July 1 and December 1. Awards will typically be made within 90 days of submission. (See table in Section 6.1 for a typical grant timeline) The availability of grant funds from year to year is based on continued authorization of the program by the Redevelopment Commission and funding from the Greenville City Council.

2.0 PURPOSE

The purpose of the Business Plan Competition is to provide an economic incentive to small business owners and other entrepreneurs both from within and without the redevelopment areas to create or expand small business enterprises within the bounds of the Center City - West Greenville Redevelopment Areas.

3.0 ELIGIBILITY

- 3.1 Business plan submissions are limited to existing or start-up small businesses that are primarily located, or intend to locate within the boundaries of the Center City - West Greenville Redevelopment Areas.
- 3.2 Submitting entities must be a for-profit business whose tangible net worth is not in excess of \$7.5 million, and whose average net income after Federal income taxes (excluding any carry-over losses) for the preceding two completed fiscal years is not in excess of \$2.5 million.
- 3.3 All proposals must meet State building code requirements as well as City or Greenville code requirements and must be in conformance with the future zoning requirements specified in the Center City – West Greenville Revitalization Plan.
- 3.4 City/County taxes for any business or individual requesting grant funds cannot be delinquent. In cases where there are delinquent city/county taxes, the applicant(s) must attach a receipt to show ad valorem taxes are current or must attach a copy of the work-out agreement with the Pitt County Tax Collector's Office.
- 3.5 Examples of eligible uses of grant funding include:
 - ✧ Working capital or operating funds
 - ✧ Purchase of equipment, commercial use vehicles or machinery
 - ✧ Improvements to owner occupied property
 - ✧ Leasehold improvements
 - ✧ Expansion of business services or products
 - ✧ Other uses considered according to business plan

4.0 FUNDING

Awards are made separately for the Center City Revitalization Area and the West Greenville Redevelopment Area. Up to two awards of \$15,000, or 10% of the total business

investment with a cap of \$30,000 (whichever is greater) may be made at the sole discretion of the Redevelopment Commission for each revitalization area in each grant cycle. Business Plan Competition Grant funds are distributed as a zero interest loan forgivable over a three (3) year period at one third of the award per year for each year the business operates primarily within the Center City - West Greenville Redevelopment Area and meets all other program criteria. Failure to comply with the program guidelines will result in efforts to recapture grant funding on a pro-rata basis.

5.0 APPLICATION AND SELECTION

- 5.1 It is strongly encouraged that those considering entering a submission in the competition enroll in the three-session small business seminar provided free of charge by the Greenville office of the North Carolina Small Business and Technology Development Center (SBTDC) or similar business seminars offered by the Pitt Community College Small Business Center. Applicants should note that the Redevelopment Commission will take into consideration attendance at business seminars such as those described above as part of the “applicant experience” in the scoring criteria listed in section seven. A listing of organizations approved to provide free business counseling assistance is included in this application package as attachment **“D”**.
- 5.2 Business plan submissions must be completed in accordance with the business plan outline provided in this package and listed as attachment **“B”**
- 5.3 Business plan submissions must be accompanied by the application included in this package listed as attachment **“A”** Each individual owner of 20% or more of the business must sign the application.
- 5.4 Submitting entities will be required to provide profit/loss statements, federal income tax statements and other financial documents as necessary to demonstrate compliance with small business and other eligibility requirements.
- 5.5 Fully completed submissions turned in by the applicable deadline will receive an initial review by a selection subcommittee made up of City staff and Redevelopment Commission members. A voluntary informal interview with the selection committee is also offered at the submission stage. During this interview, selection committee members will share general comments about the application with the applicant. Following the initial application review, applicants will have additional time to make revisions before the Redevelopment Commission considers the applications and makes grant awards.
- 5.6 All submitting entities will receive notification via U.S. Mail as to their status. Applicants that are not selected for funding are required to wait a minimum of twelve (12) months from the date of the original submission before resubmitting the same, or substantially similar business plan. (Applicants are eligible to submit business plan proposals for substantially different projects at any time.)

6.0 DISBURSEMENT OF GRANT FUNDS

- 6.1 Those submitting a winning business plan will be required to accept the grant award via the signing of a promissory note within thirty (30) days of award notification. Funds must start to be utilized for the purpose described in the business plan within six (6) months of grant acceptance. The three-year compliance period for this program begins with the date on which the funds are accepted.

TYPICAL GRANT TIMELINE

TIME	ACTIVITY	NOTES
July 1	Due Date	Complete business plan and application due
July 15	Informal Interviews	Comments returned to applicant
August 15	Final draft of business plan due	No late submissions accepted
September 7	Redevelopment Commission Meeting	Commission makes awards
October 7	Promissory note signed	Applicant has 6 months from this date to request disbursement of funds and 3 years from this date to comply with terms of the program

- 6.2 Following the disbursement of funds, recipients will be required to certify each year on or near the anniversary of grant acceptance that they have attended quarterly post-award business counseling facilitated by an individual or organization that has been previously approved by the Redevelopment Commission of Greenville and that the granted funds continue to be used in accordance with their business plan proposal. This requirement remains in effect during the entire three-year compliance period.
- 6.3 Each year, on or about the 1st, 2nd and 3rd anniversaries of grant award, grantees or their representative will be required to present a report to the Redevelopment Commission in which the grantee provides updated information regarding the use of grant funds, the status of the business enterprise, along with any other information that will help the Redevelopment Commission to establish that the grant funds are being used for the purpose that they were awarded. This report shall be made in person by the grantee or his/her representative at a regular meeting of the Redevelopment Commission.
- 6.4 The Redevelopment Commission of Greenville will not make awards to the same business enterprise within a thirty-six (36) month period.

7.0 SCORING

- 7.1 All business plans will be scored in accordance with the Business Plan Evaluation Criteria included in this package as attachment “C”
- 7.2 Other scoring factors that will be taken into consideration by the Redevelopment Commission include:
- ✧ **Cash flow** – Evidence that the business venture is or will bring in more revenue than expenditures at the end of an accounting period.
 - ✧ **Credit History** – Applicant/s should have demonstrated the responsible use of credit either as individuals or for their business ventures. Applicant/s should not have any active liens or judgments on their credit
 - ✧ **Employees** - The number of full or part time, low and moderate income employees that the proposed business intends to hire. The income test for this purpose will include any employees whose total annual income in the previous tax year did not exceed 80% of the area median income.
 - ✧ **Equity** - Level of equity brought by applicant/s to the project. Equity may include cash, real estate, equipment or inventory.
 - ✧ **Experience** - Applicant’s level of experience with the specific business type as well as other general employment, educational and management experience. Attendance at small business seminars such as those described in section 5.1 may be cited in place of or in addition to other formal education or business related experience.

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